§ 263.2

§ 263.2 What kinds of State expenditures count toward meeting a State's basic MOE expenditure requirement?

- (a) Expenditures of State funds in TANF or separate State programs may count if they are made for the following types of benefits or services:
- (1) Cash assistance, including the State's share of the assigned child support collection that is distributed to the family, and disregarded in determining eligibility for, and amount of the TANF assistance payment;
 - (2) Child care assistance (see § 263.3);
- (3) Education activities designed to increase self-sufficiency, job training, and work (see § 263.4):
- (4) Any other use of funds allowable under section 404(a)(1) of the Act (such as nonmedical treatment services for alcohol and drug abuse and some medical treatment services, provided that the State has not commingled its MOE funds with Federal TANF funds to pay for the services), if consistent with the goals at §260.20 of this chapter; and
- (5)(i) Administrative costs for activities listed in paragraphs (a)(1) through (a)(4) of this section, not to exceed 15 percent of the total amount of countable expenditures for the fiscal year.
- (ii) Costs for information technology and computerization needed for tracking or monitoring required by or under part IV-A of the Act do not count towards the limit in paragraph (5)(i) of this section, even if they fall within the definition of "administrative costs."
- (A) This exclusion covers the costs for salaries and benefits of staff who develop, maintain, support or operate the portions of information technology or computer systems used for tracking and monitoring.
- (B) It also covers the costs of contracts for development, maintenance, support, or operation of those portions of information technology or computer systems used for tracking or monitoring.
- (b) The benefits or services listed under paragraph (a) of this section count only if they have been provided to or on behalf of eligible families. An "eligible family," as defined by the State, must:

- (1) Be comprised of citizens or aliens who:
- (i) Are eligible for TANF assistance;
- (ii) Would be eligible for TANF assistance, but for the time limit on the receipt of federally funded assistance; or
- (iii) Are lawfully present in the United States and would be eligible for assistance, but for the application of title IV of PRWORA:
- (2) Include a child living with a custodial parent or other adult caretaker relative (or consist of a pregnant individual); and
- (3) Be financially eligible according to the appropriate income and resource (when applicable) standards established by the State and contained in its TANF plan.
- (c) Benefits or services listed under paragraph (a) of this section provided to a family that meets the criteria under paragraphs (b)(1) through (b)(3) of this section, but who became ineligible solely due to the time limitation given under §264.1 of this chapter, may also count.
- (d) Expenditures for the benefits or services listed under paragraph (a) of this section count whether or not the benefit or service meets the definition of assistance under §260.31 of this chapter. Further, families that meet the criteria in paragraphs (b)(2) and (b)(3) of this section are considered to be eligible for TANF assistance for the purposes of paragraph (b)(1)(i) of this section
- (e)(1) The expenditures for benefits or services in State-funded programs listed under paragraph (a) of this section count only if they also meet the requirements of § 263.5.
- (2) Expenditures that fall within the prohibitions in §263.6 do not count.
- [64 FR 17893, Apr. 12, 1999; 64 FR 40291, July 26, 1999]

§ 263.3 When do child care expenditures count?

(a) State funds expended to meet the requirements of the CCDF Matching Fund (i.e., as match or MOE amounts) may also count as basic MOE expenditures up to the State's child care MOE amount that must be expended to qualify for CCDF matching funds.